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1954

STATE LEGISLATION

AFFECTING

THE REA PROGRAM

1954 STATE LEGISLATION AFFECTING THE REA PROGRAMS

General. Fourteen State legislatures met in regular session between January and July, 1954. Three - California, Colorado and Maryland - were restricted to the consideration of fiscal matters. General sessions were held and have already adjourned in 9 States - Arizona, Kentucky, Massachusetts, Michigan, Mississippi, New York, Rhode Island, South Carolina and Virginia. General sessions have not yet adjourned (as of June 30, 1954) in 2 States - Louisiana and New Jersey. Nine special sessions were convened in California and Colorado which also met in restricted regular session; New York which earlier held its annual regular session; and Missouri, Nebraska, Nevada, New Hampshire, Ohio and Texas.

Legislative programs were considered and formulated as required and administratively handled in the same manner as described in the report on 1953 legislation. More than 19,000 bill titles were examined. Several hundred bills were obtained and analyzed. The following is a brief summary of developments at the 1954 sessions.

A. AffirmativeElectrification

Amendatory Legislation. South Carolina enacted an amendment to clarify and make permanent the tax exemption on property of rural electric cooperatives. Virginia amended the Electric Cooperatives Act to permit the election of directors for three-year staggered terms.

Power Lines. Bills to make it a crime to tamper with electric power lines and requiring electric service companies to furnish representatives to guard against injury from contact with power lines or installations failed to pass in Mississippi.

Municipal Extensions. A Mississippi bill to grant electric power associations the right to continue to serve territories incorporated into a municipality failed of passage.

Miscellaneous. Kentucky adopted a resolution urging Congress to continue support of TVA pointing out that the REA program was dependent on it. Bills in Mississippi to require schools to purchase electric power by competitive bids and relating to utility rights of way failed to pass.

Electrification and Telephone.

Taxation. Michigan amended the Business Receipts Tax to provide that electric cooperative be subject to a 1-mill rate rather than the 4-mill rate applicable to taxpayers other than public utilities.

Miscellaneous. Mississippi failed to pass a bill providing for a change of venue in civil actions involving utilities.

Telephone

Telephone Cooperative Act. A bill providing for the organization and operation of rural telephone cooperative corporations was introduced in Mississippi but did not pass.

Amendatory Legislation. A bill amending the Kentucky Telephone Cooperative died in Committee of the House in which it was introduced.

Telephone Service. A bill requiring telephone companies to furnish adequate service at all times and to make such service available to all persons in the area being served failed to pass in Mississippi.

B. Defensive

Electrification

Taxation. In Mississippi bills imposing a 2% sales tax on municipal power plants and rural electrification and cooperative power associations and placing tax on power used by pipe line companies failed.

Cooperative Meetings. A bill in Mississippi permitting any member or stockholder of a cooperative to sue its officers for failure to hold an annual meeting died in the Committee of the House in which the bill originated.

Licensing and Inspection. Legislation relating to the licensing of electricians and electrical contractors and providing for electric wiring inspection failed in Michigan. A Mississippi bill providing for meter inspection also failed.

Utility Lines. Bills in New York requiring utilities to remove poles and lines along highways when they constitute an obstruction to highway use failed of passage.

Electrification and Telephone

Taxation. A bill to permit counties to impose a 5% utility tax failed to pass in Virginia.

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Office of the Administrator

1954 Maryland Legislation - Final Report
Session: February 3 to March 4, 1954

The session of the Maryland legislature convening in even numbered years is limited in subject consideration to budget, revenue and financial matters of state government, emergency measures, and legislation in the general public welfare.

A. Affirmative

No legislative program was undertaken by REA borrowers.

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs was noted.

C. Collateral

Electrification

Enacted:

St. Lawrence Seaway - H. Res. 1, adopted February 3, 1954, opposes the construction of the St. Lawrence Seaway project and "any cooperation in this venture on the part of the United States".

Electrification and Telephone

Failed:

Public Service Commission - H. B. 20, died in House, would have added a new Section 9A to Article 78, Annotated Code of Maryland, relating to the Public Service Commission permitting the PSC to assess charges against utilities involved for special studies and investigations which require the employment of experts or other outside services. (S. B. 20, same as H. B. 20, died in Senate.)

S. B. 61, died in House, would have amended Section 55 of Title 78, Annotated Code of Maryland, relating to the establishment of rates for public utility companies by providing that such rates shall be based on depreciated original cost plus an allowance for materials and supplies at their original cost.

Taxation - Cooperative Associations - H. B. 79, died in House, would have added Section 278(h) to Article 81, Annotated Code of Maryland, providing for the disallowance of dividend distributions and patronage dividends of cooperative associations as deductible items in the computation of net income. (This bill would not have affected electric cooperatives which are exempt from payment of income taxes under the Maryland Electric Cooperative Act.)

1954 Massachusetts Legislation - Final Report
Session: January 6 to June 11, 1954

A. Affirmative

Legislative Needs

Electrification

None

Telephone

None

Legislation Sponsored

None

B. Defensive

None

N. H. - 1

1954 New Hampshire Legislation - Final Report
Special Session: April 6 to 9, 1954

Governor Hugh Gregg called the New Hampshire legislature into special session to consider highway legislation. Special sessions of the legislature are not limited in subject consideration and may take up any subject which can be considered at a regular session.

No legislation of interest to REA borrowers was noted.

1954 New Jersey Legislation - Interim Report, June 25, 1954

Session: Convened January 12, 1954 - Still in session.*

(*A supplemental report giving the final status of all legislation of interest to the REA programs will be prepared after the legislature adjourns.)

A. Affirmative

No legislative program planned by REA borrowers.

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs has been noted.

C. Collateral

Electrification and Telephone

Enacted:

Statute Revision - A. B. 59, approved April 19, 1954, Chap. 19, provides for a revision of Title 48 of the Revised Statutes, concerning public utilities, to be submitted to the 1955 Legislature.

Pending:

Public Utilities Commissioners - A. B. 233, in Assembly Committee, amends Section 48:2-1, Revised Statutes of New Jersey to increase the membership of the State Board of Public Utilities Commissioners from 3 to 5 members and requires 1 member to represent labor and 1 member to represent consumers. (S. B. 101, similar to A. B. 233, pending in Senate Committee)

1954 New York Legislation - Final Report
Session: January 6 to March 20, 1954
First Special Session: June 10, 1954

Regular Session

Governor's Message

The following excerpts are from the message of January 6, 1954 of Governor Thomas E. Dewey to the 177th Legislature of the State of New York:

Water Power

"After all the years of frustration and defeat, we have at last a substantial achievement in the development of our water power. I am especially happy to be able to report that during 1953, twenty-two years after the unanimous adoption of our New York water power program, a federal license was issued for the New York State Power Authority to proceed with the vast hydro-electric project on the St. Lawrence River. This was indeed a great victory in a cause which had often seemed almost hopeless. Within a few months, we expect the dirt will actually be flying in both the New York and Ontario parts of this significant undertaking.

"But the water power news is not all good. Within the very week of our victory in the St. Lawrence matter, New York's hydro program was attacked in a bill hurried through the House of Representatives to turn over Niagara Falls power to private interests.

"Our St. Lawrence license represented a victory over the public power extremists on the left who wanted to trample over the States and set up a vast federal hydro-electric monopoly. The private Niagara bill, on the far right, seeks to have the Federal authority trample over our State law and policy in the opposite direction -- for private exploitation. We must resist the second extreme no less vigorously than the first.

"As to this I need not go into detail before your Honorable Bodies. Our present State law, policy, and basic program had its origin and development through the days of Theodore Roosevelt, Charles Evans Hughes, Alfred E. Smith, and Franklin D. Roosevelt. The issue was fiercely debated and at last settled by unanimous enactment of our Power Authority Act in 1931. This Act declared that New York State's undeveloped water power in the St. Lawrence watershed, which includes Niagara, must always remain in the possession and control of the people and be developed by the Power Authority for the people's benefit. In the intervening years the Legislature has several times reviewed and strengthened this law. Every Governor has backed it. Both political parties have consistently and strongly declared their support of it. This policy has long been beyond the bounds of partisan difference. No statute is more firmly embedded in the basic law of the State.

"The private bill to take Niagara from the people is now in the United States Senate Committee on Public Works. Last summer I discussed it at length

with the Committee. I emphasized that during a 50-year license period the private bill would cost this area's consumers \$1.5 billion more than the New York Plan. I emphasized that the bill singles out New York and Niagara, in order to withdraw from this state the protection of longstanding Federal law which still applies to other States.

"Even defeat of the private bill will not get us the new power from Niagara, which everybody agrees we need. The trouble lies in a reservation, or rider, which the Senate appended to the Canadian treaty of 1950 - requiring Congressional action on Niagara. The declared purpose of this was to safeguard Niagara for public use and benefit. Now the private companies are trying to use it for the opposite purpose. The way out of this impasse is for Congress to pass the Ives-Becker bill to authorize State operation or to rescind the rider and return this entire Niagara matter to the jurisdiction of the Federal Power Commission, where it belongs under the Federal Power Act of 1920.

"St. Lawrence and Niagara are the same water. They are parts of the same drainage basin, the outpouring of the Great Lakes. Both are essential to the New York Plan for getting cheap power to the people. They belong to the people and they belong together. Our law, our policy, and our party pledges all say this. Let us join in supporting these, in their complete integrity."

A. Affirmative

No legislative program was undertaken by REA borrowers.

B. Defensive

Electrification and Telephone

Failed:

Highway Obstructions - Removal - S. B. 2187, died in Assembly, would have added new Section 103-a to the Highway Law requiring owners or occupants of lands along highway to remove all obstructions within bounds thereof which have been placed there either by themselves or by their consent, and all public utility corporations to remove and reset poles and wires when they constitute obstructions to highway use by traveling public. The bill would further have permitted county highway superintendent to remove obstructions not removed within a certain time at the expense of the person responsible.

(A. B. 2509, same as S. B. 2187, died in Assembly.)

(S. B. 2290, same as S. B. 2187, died in Senate.)

(A. B. 2981, similar to S. B. 2187 - related to town highways, died in Assembly.)

C. CollateralElectrificationEnacted:

Electric Rates - Refunds - A. B. 687, approved March 29, 1954 and effective April 1, 1954, Chap. 297, adds subdivision 18 to Section 66, Public Service Law, providing that the Public Service Commission shall have the power to determine whether or not a refund received by an electric corporation because of reduction in rates of a seller of electric energy pursuant to an order of the Federal Power Commission, shall be passed on to the ultimate consumer (S. B. 583, same as A. B. 687, died in Assembly.)

Failed:

Electric Submetering Corporations - S. B. 528, died in Senate, would have given the Public Service Commission supervision over electric and gas submetering corporations and required that other business of such corporation be kept separate in accounting records. (A. B. 710, same as S. B. 528, died in Assembly.)

S. B. 529, died in Senate, related to electric and gas submetering corporations and would have prohibited charges by such corporation in excess of rates of electric utility operating in same territory. (A. B. 709, same as S. B. 529, died in Assembly.)

Electric Lines - Construction Equipment - A. B. 1618, died in Senate, would have amended the penal law by making it a misdemeanor to operate construction equipment within six feet of high voltage overhead electrical conductor. (S. B. 1271, same as A. B. 1618, died in Senate.)

Rate Increases - A. B. 2181, died in Assembly, would have required the Public Service Commission on granting increase in rates for gas and electricity to file a report with legislature with summary of facts, amount of increase and reasons therefor. The increase would be valid unless a majority of members of the legislature by concurrent resolution determine it to be unjustified and such disapproval would have to be made within one year. (S. B. 1993, same as A. B. 2181, died in Senate.)

Electric Companies - Records - S. B. 185, died in Senate, would have made it mandatory instead of permissive for the Public Service Commission to prescribe uniform methods of keeping accounts, records and books to be followed by electric and gas corporations and municipalities engaged in furnishing electricity and gas. The bill would have also required the PSC to examine these records at least twice a year.

State Power Authority - A. B. 2788, died in Assembly, would have amended the Public Authorities Law by striking out the provision giving the State Power Authority jurisdiction to improve the Niagara River and to regulate the use thereof for the generation and sale of power. (S. B. 1932, same as A. B. 2788; died in Senate.)

Electrification and Telephone

Enacted:

Mortgages - After Acquired Property - S. B. 2424, approved and effective April 17, 1954, Chap. 754, amends Section 231, Lien Law, by providing that supplemental corporate mortgages covering after-acquired property when recorded as real property mortgages need not be filed or refiled as chattel mortgages. (A. B. 3128, same as S. B. 2424, died in Assembly.)

Failed:

Public Utility Corporations - Dissolution - S. B. 579, died in Assembly, would have provided that the Secretary of State not file a certificate of dissolution for a public utility corporation subject to the jurisdiction of the Public Service Commission without the consent of the Commission. (A. B. 738, same as S. B. 579, died in Assembly.)

Public Service Law - A. B. 1384, died in Assembly, would have provided for the creation of a legislative and executive commission to revise the public service law and the procedures for the Public Service Commission. (S. B. 1700, same as A. B. 1384, died in Senate.)

Utility - Taxation - A. B. 240, vetoed April 12, 1954, would have permitted villages of 5,000 or more population to impose a tax on utilities by ordinance as well as by local law.

Telephone

Enacted:

Emergency Telephone Calls - Obstruction - A. B. 1110, approved April 8, 1954 and effective October 1, 1954, Chap. 572, amends the Penal Law by adding Section 1424-a making it a misdemeanor for a person to wilfully refuse immediately to relinquish a telephone party line when informed that it is needed for an emergency call to a fire or police department or for medical aid or ambulance service. The act also makes it a misdemeanor for any person to secure the use of a party telephone line by falsely stating that it is needed for an emergency call. (S. B. 975, same as A. B. 1110, substituted by A. B. 1110.)

Failed:

Telephone Rate Increases - A. B. 443, died in Assembly, would have required the Public Service Commission on granting increase in rate structure for telephone and telegraph service to file a report with legislature, of summary of facts, amount of increase and reasons therefor. The increase would be valid unless a majority of members of legislature by concurrent resolution determine it to be unjustified and such disapproval would have to be made within one year. (S. B. 470, same as A. B. 443, died in Senate.)

Telephone - Metering - A. B. 2214, died in Assembly, would have required telephone corporations to install, by January 1, 1956, a metering device on each telephone to indicate the number of outgoing calls which shall be visible at all times. Telephone charges would be on the basis of the number of calls made. Public telephones and extensions would be excepted. (S. B. 2217, same as A. B. 2214, died in Senate.)

Telephone Companies - Service - S. B. 1919, died in Senate, would have authorized the Supreme Court after notice and hearing to appoint a receiver for any telephone corporation which fails or refuses to comply with Public Service Commission order directing it to improve its facilities or service, if it claims as defense to action that it does not have or cannot obtain funds necessary therefor. The receiver would have been authorized to borrow funds for such purpose and issue bonds which would have been a lien upon utility property or if funds could not be obtained the receiver could apply to the court for the sale of the property.

Telephone Service - A. B. 321, died in Assembly, would have required telephone company servicing area where a tenant resides to accept tenant's order for telephone installation notwithstanding objections of the landlord.

First Special Session (June 10, 1954)CollateralElectrificationEnacted:

St. Lawrence Development - State Power Authority - S. B. 3, approved June 10 1954, Chap. 822 permits the State Power Authority to determine real property necessary for improvement and development of the International Rapids section of the St. Lawrence River. Upon request of Authority and if funds are available property shall be acquired by the State Public Works superintendent. Claims are to be adjusted by the Public Works superintendent or by Court of Claims.

1954 Rhode Island Legislation - Final Report
Session: January 5 to April 23, 1954

Governor's Message

The following excerpt is from the message of January 5, 1954 of Governor Dennis J. Roberts to the General Assembly of Rhode Island:

Regulation of Public Utilities

"The problem of more stringent regulation for the various public utilities within Rhode Island continues to be of paramount importance to this administration. The plant investment of the utilities which furnish our homes and our industries with electric, gas, water, telephone, and transportation service amounts to approximately three hundred million dollars and the annual revenues received by these respective utilities in the form of rates from our Rhode Island residents and our Rhode Island industries exceeds seventy-five million dollars annually. When we consider these facts in their proper perspective there can be no disagreement as to the need for a strong, skillful and fully staffed public utility administration.

"I firmly believe that the regulation of our public utilities is a continuing process which does not terminate upon the conclusion of any rate hearing.

"I have advised you of my intent to provide the administrator with engineering and accounting assistance on a full-time basis. This has been done. But our efforts to assure better regulation of utilities should not stop here.

"The regulation of public utilities embraces many fields requiring various skills. The hiring of additional engineers and accountants for specialization in the respective fields of utility regulation would appear necessary and desirable. Moreover, I am convinced that the retention of legal counsel on a full-time basis for specialization in the study and procedure of public utility law would result in substantial savings to the Rhode Island ratepayers. A rate hearing is basically an adversary proceeding in which the public interest must be fully and aggressively guarded. The cost of the utility's expert staff is paid for by the consuming public.

"You will recall that I submitted for your consideration at the last session two proposals which I considered of importance in the regulation of utilities. These proposals failed of passage. This has not deterred me in my search for a solution to the problem of effective regulation and enforcement.

"For the protection of our Rhode Island consumers, it is my intention to see that the Public Utility Administrator is provided with adequate facilities for the determinations he is called upon to make with respect to either the rates or services of our public utilities. In this regard we have made significant strides. We propose to do more.

Utilities Must Share Expenses

"The increased expense attendant upon augmenting the Public Utility Administrator's staff for the protection of the public should in some manner be borne by the public utilities themselves. To this end I have prepared legislation which I believe will fairly apportion the regulatory expenses of our public utilities between the Rhode Island ratepayer and the Rhode Island utility. The act which I shall submit is modeled on a Connecticut statute. I am hopeful that your review of this statute will indicate its need and inherent fairness.

"In addition, it is my intention to introduce other utility legislation, the nature of which I believe will result in affording a greater measure of protection to the citizens of Rhode Island."

A. Affirmative

Legislative Needs

Electrification

None

Telephone

None

Legislation Sponsored

None

B. Defensive

None

1954 Virginia Legislation - Final Report
Regular Session: January 13 to March 31, 1954

A. Affirmative

Legislative Needs

Electrification

Amend the Electric Cooperative Act to permit the election of directors for three-year staggered terms (see S. B. 238, below).

Telephone

None

Legislation Sponsored

Electrification

Enacted:

Electric Cooperative Directors - Staggered Terms - S. B. 238, approved April 3, 1954, Chap. 419, and effective July 2, 1954 amends and reenacts Sec. 56-222, Code of Virginia, relating to the boards of directors of electric cooperatives to provide for the election of directors for three - year staggered terms. The amendment permits electric cooperative associations to adopt by-laws which may provide either two or three year terms for directors, whichever they wish.

This bill was sponsored by the Virginia Association of Electric Cooperatives.

B. Defensive

Electrification and Telephone

Failed

Taxation - S. B. 149 died in Senate, would have amended the Code of Virginia by adding a new section 58-851.4 authorizing counties to levy a 5 percent consumer or subscriber tax on the amount paid for public utility services including electricity and local telephone exchange service.

C. Collateral

Electrification

Enacted:

Contractors - Registration - S. B. 303, approved April 3, 1954, Chap. 428, and effective July 2, 1954 amends Section 54-113, Code of Virginia, relating to the definition of "general contractor or subcontractor" to include

persons, firms, associations or corporations that undertake to bid upon or accept orders or contracts to perform"(e) any work involving the erecting, installing, altering or repairing, electric wiring, devices or appliances permanently connected to such wiring; or erecting, repairing or maintaining of lines for the transmission or distribution of electric light and power" when the amount of the bid or contract is twenty thousand dollars or more. The act also amends Section 54-129 relating to the application for registration by providing for the issuance of limited and unlimited certificates. This section also permits the State Registration Board for Contractors to grant unclassified certificates, "or limit the certificate granted to any applicant to four classifications, namely, (1) building contractor, (2) highway contractor, (3) public utilities contractor, or (4) specialty contractor...." Section 51-145.1 is added to provide that courts of record equity jurisdiction shall have jurisdiction to enjoin any person, firm, association or corporation violating the provisions of Chapter 7, Title 54 of the Code.

Failed:

Division of Industrial Development - S. B. 347, died in Senate, would have created a Division of Industrial Development within the Department of Conservation and Development to carry out programs and plans for obtaining new and increasing existing industry in the State and to publicize the natural resources of Virginia including power resources.

Electrification and Telephone

Enacted:

Public Utility - Definition - H. B. 568, approved April 5, 1954, Chap. 525 and effective July 1, 1954 amends Section 56-232, Code of Virginia, relating to the definition of the term "public utility" to provide that the term shall not apply to corporations created under the provisions of Title 13 of the Code of Virginia, which Title deals with corporations generally.

Dogwood Conservation - S. B. 88, approved April 6, 1954, Chap. 558, amends the Code of Virginia by adding Sections 10-83.1 to 10-83.3 providing for conservation of Dogwood trees (As originally introduced this bill would have prohibited the cutting of Dogwood trees of less than a prescribe size but would have excepted landowners clearing land for agricultural or pasture purposes or for the purpose of subdividing such land for building sites. The Virginia Association of Electric Cooperatives succeeded in having the bill amended to also except from its provisions "cutting and trimming rights-of-ways of public service corporations." As finally enacted the bill relates to the sale of Dogwood trees.)

Failed:

Municipal Utilities - Extension of Services - H. B. 608, died in House, would have amended Section 56-232, Code of Virginia, relating to the definition of the term "public utility" by providing that the extension of municipal utility services beyond the corporate limits of the

municipality shall be subject to approval by the State Corporation Commission "as to rates, charges and fees for and to customers thereof beyond such corporate limits."

H. J. R. 70, died in House, would have directed the Virginia Advisory Legislative Council to study the furnishing of public utility services by municipalities outside of their corporate limits.

People's Counsel - H. B. 798, died in House, would have created in the office of the Governor a division of People's Counsel which would be changed with the duty of intervening in all cases or proceedings before the State Corporation Commission on any matter affecting the public interest.

Telephone

Enacted:

Telephone Rates and Service - H. J. R. 37, adopted March 13, 1954, directs the Virginia Advisory Legislative Council to make a study of rural telephone rates and the problem of expediting the providing of service in areas which have been assigned to telephone companies. The Council is directed to complete its study and make its report to the Governor and General Assembly no later than November 1, 1955, with drafts of such legislation as it deems appropriate to carry its recommendations into effect.

Failed:

Telephone Company - Acquisition - S. B. 263, died in Senate, would have empowered the State Corporation Commission to require a weak telephone company to sell its plant to a strong telephone company and to require the strong company to purchase and operate the plant in the public service.

1. The first part of the paper discusses the importance of the study of the history of the United States. It is argued that a knowledge of the past is essential for a full understanding of the present and for the development of a sound policy for the future. The author points out that the study of history is not only a means of satisfying our curiosity about the past, but also a way of learning from the mistakes of our ancestors and of avoiding them in the future.

2. The second part of the paper discusses the importance of the study of the history of the United States. It is argued that a knowledge of the past is essential for a full understanding of the present and for the development of a sound policy for the future. The author points out that the study of history is not only a means of satisfying our curiosity about the past, but also a way of learning from the mistakes of our ancestors and of avoiding them in the future.

3. The third part of the paper discusses the importance of the study of the history of the United States. It is argued that a knowledge of the past is essential for a full understanding of the present and for the development of a sound policy for the future. The author points out that the study of history is not only a means of satisfying our curiosity about the past, but also a way of learning from the mistakes of our ancestors and of avoiding them in the future.

1954 South Carolina Legislation - Final Report
Session: January 12 to April 2, 1954

[Note: The General Assembly of South Carolina is elected for a two year term and meets in annual sessions. The first session of each legislature convenes in the odd-numbered years. Legislation introduced in the first session and not finally disposed of may be considered during the second session which meets in the even-numbered years. This report covers legislation disposed of in 1954 which was carried as pending in the 1953 report or which was introduced in the 1954 session.]

A. Affirmative

Legislative Needs

Electrification:

1. Amendment of Rural Electric Cooperative Act (Section 12-1025 and 12-1002, Code of Laws, 1952) to permit cooperatives to serve in areas which lose their rural character.
2. Amendment of Rural Electric Cooperative Act relating to the extension of electric service by a municipality or an electrical utility (anti-pirating legislation).
3. Liberalization of the present requirements of Section 21 of the Rural Electric Cooperative Act (Section 12-1035, Code of Laws, 1952) requiring two-thirds vote of the members to authorize disposition of cooperative property, by providing for inter-cooperative transfers by the board of directors upon authorization by a majority of those members voting thereon at a membership meeting.

Items 1 and 2 were considered for sponsorship by the South Carolina Electric Cooperative but it was decided not to seek a legislative solution at this time. It is reported that a court test would be sought to determine what protection is available under the Rural Electric Cooperative Act.

Legislation Sponsored

Electrification

Enacted:

Electric Cooperative Property - Tax Exemption - H. B. 1732, approved March 20, 1954, (General Appropriation Act). Title III, Section 16 amends Sub-paragraph 44, Section 65 -1522, Code of Laws, 1952, relating to general exemptions from taxes so as to clarify and make permanent the tax exemption on property of rural electric cooperatives whether built before or after April 1, 1951.

(S. B. 580 passed the Senate March 16, 1954 and died in House Judiciary Committee was the same as the above amendment. After passing the Senate it was blocked in the House Judiciary Committee. In view of the imminence

of adjournment the provisions of S. B. 580 were incorporated into the General Appropriation Act.)

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs was noted.

C. Collateral

Electrification

Enacted:

Municipal Electric Service - H. B. 2009 approved 3/20/54, amends Sec. 59-536, Code of Laws, 1952, which provides for furnishing water, light or sewerage disposal beyond city limits in certain counties, by permitting the extension of such services beyond corporate limits in Spartanburg County.

Failed:

Electrical Utility - Definition - H. B. 1196, died in House Judiciary Committee, would have amended paragraph 7 of Section 24-1, Code of Laws, 1952, relating to the definition of "electrical utility" by striking out the following language "but it shall not include a person, corporation or municipality furnishing electricity only to himself or itself, their residents, employees or tenants when such current is not resold or used by others."

Public Service Authority - H. B. 2040, died in House, would have added Section 59-15 to Code of Laws, 1952, so as to require any agreement, accord or compact made by the Public Service Authority to be approved by concurrent resolution of the General Assembly.

H.B. 2056, died in House, would have amended Section 59-2, Code of Laws, 1952, relating to the board of directors of the Public Service Authority, so as to change the term of the members to two years and of the director to four years. These changes would have been effective upon the expiration of the terms of the present members.

Electrification and Telephone

Failed:

Public Service Commission - H. B. 1821, died in House, would have amended Section 58-52, Code of Laws, 1952, relating to the Public Service Commission so as to provide that the Commissioners shall be appointed by the Governor with the advice and consent of the Senate.

Public Utilities - Bills - H. B. 1951, died in House, would have required public utilities doing business in the State to render bills for service to its customers no later than the tenth of the month following the period for which rendered; would have prohibited discountinuanace of service and

charges for renewing same under certain conditions; and would have prohibited the Public Service Commission from adopting rules and regulations contrary to this Act.

Telephone

Enacted

Excise Taxes - H. B. 1767, adopted March 3, 1954 memorializes the Congress of the United States to abolish the excise tax on telephone calls.



1954 Kentucky Legislation - Final Report
Regular Session: January 4 to March 19, 1954

A. Affirmative

No affirmative program of legislation was sponsored by the Kentucky Rural Electric Cooperative Corporation.

Electrification

Enacted:

REA Program - Tennessee Valley Authority - H. Res. 84, adopted March 19, 1954, memorializes the Congress to stress the importance of the TVA program to Kentucky, pointing out that "the REA program is vitally dependent upon the TVA program The REA program was created largely for the benefit of rural people The REA program has been an economic life saver to the rural people of the commonwealth by furnishing them with low cost electricity if the TVA program were not continued and expanded the REA program would suffer if the REA program suffered the rural people of the commonwealth would suffer" and requesting Congress to make appropriations to continue and expand the TVA program.

Telephone

Rural Telephone Cooperative Act - H. B. 440, died in House Committee on Public Utilities, would have amended subsection (8) of Section 279.310 KRS relating to the definition of "member" of rural telephone cooperatives by striking out the words "and each common stockholder in a corporation having capital stock, organized under this chapter (KRS 279.310 to 279.600)". This would eliminate language which is inconsistent with other provisions of the act relating to the issuance of stock. The bill would also have amended subsections (1) and (2) of Section 279.360 KRS, relating to the general powers of rural telephone cooperatives by striking out provisions imposing prohibitions and restrictions against the construction and operation of telephone lines in certain rural areas and outside of rural areas unless the Public Service Commission shall make a determination authorizing the cooperative to provide such service and inserting in lieu thereof of the following language "and, provided, further, that a cooperative may furnish, improve and expand telephone services outside of rural areas where necessary in order to furnish, improve and expand telephone service in rural areas."

(This bill is the same as H. B. 365 which failed to pass at the 1952 session of the legislature. While sponsorship is not definitely known, it was probably sponsored by cooperative telephone groups.)

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs was noted.

C. CollateralElectrificationEnacted:

Tennessee Valley Authority - H. Res. 19, adopted February 19, 1954, memorializes the Congress to provide adequate funds for TVA.

Failed:

Electric Wiring Inspection - H. B. 506, defeated in the House on March 16, 1954 by a vote of 28 to 56, would have provided for the establishment of an electrical inspection board. This bill, sponsored by the State Fire Marshal, provided only for inspection of wiring installations. It contained no licensing provisions.

Municipal Annexation - H. B. 390, died in House Rules Committee, would have required cities having "light" and other utility facilities to serve inhabitants of territories annexed by cities within one year after initial collection of city taxes from such inhabitants.

Electrification and TelephoneEnacted:

Chattel Mortgages - S. B. 84, approved March 9, 1954, amends Section 382.720 KRS, by requiring the filing of a statement to extend the lien of a chattel mortgage beyond three years from the date of filing. Section 2 of this act exempts corporate chattel mortgages which mature more than three years after filing.

(S. B. 29, similar to S. B. 84, died in the Senate.)

Failed:

Repeal of Utilities Gross Receipts Tax - H. B. 330, died in House Ways and Means Committee, would have repealed Sections 136.240 to 136.260 KRS which impose a 3% gross receipts on utilities, including electricity and telephone service.

Public Utility Districts - H. B. 442, died in House Rules Committee, would have provided for the establishment and operation of public utility districts. Such districts would be formed by a county and all the cities therein or by two or more counties. The district would be empowered to acquire, by condemnation if necessary, any utility serving within its territory.

H. B. 107, died in House Rules Committee, is similar to H. B. 442 but was a local bill covering only Kenton and Campbell counties.

Telephone

Failed:

Emergency Telephone Calls - H. B. 94, died in House, would have provided penalties for any person who refused to terminate a conversation on a party line telephone so that another person might transmit a police or fire alarm.

Telephone Rates - H. B. 419, died in House, would have amended Section 278.170 KRS, relating to rates and services of public utilities by providing that rates for intrastate telephone service shall not exceed by more than 10 percent the rates for interstate service.

1954 Mississippi Legislation - Final Report
Session: January 5 to May 6, 1954

A. Affirmative

Electrification

Failed:

Power Lines - Safety - H. B. 551, died in House, would have required electric service companies and associations to furnish a representative to guard against injury and damage from contact of certain objects with power lines or installations. This bill would have required power companies to supply supervision over removal, repair, installation, etc. of any object, such as television and radio antennas, pump house or water wells, etc. located within 100 feet of any electric power line or installation.

Government Power Purchases - H. B. 553, died in House, would have required that all public schools and state institutions purchase electric service upon competitive bids and would have provided for the method of obtaining bids and the procedures for letting contracts.

Power Lines - Tampering - H. B. 563, died in Senate, would have made it a crime for any person to tamper with or destroy electric power lines, systems, properties and installations.

Extension of Municipal Limits - Cooperative Service - H. B. 564, died in House, would have granted electric power associations the right to continue to serve territories incorporated into municipalities by extensions of corporate limits.

Utility Right of Ways - H. B. 1051, died in House, would have provided a method of determining the consideration for use of right of ways for public utility franchises over, on, across and under 16th section lands. (S. B. 1713, same as H. B. 1051, died in Senate.) These bills were introduced because of a recent decision by the Mississippi State Supreme Court against the Wilmut Oil and Gas Company which gave to the board of supervisors of each county the consideration for existing utilities for right of ways across sixteenth section lands. While the rural electric power associations have a special statute which exempts them it is reported that they felt without the passage of these bills that they might be forced into paying this consideration along with public and private utilities.

Electrification and Telephone

Failed:

Venue of Civil Actions - H. B. 560, died in House, would have amended Section 1434, Mississippi Code of 1942, to provide for the venue of civil actions against "railroad...power, super-power, telegraph, telephone, electric power...corporations and associations."

TelephoneFailed:

Telephone Service - H. B. 613, died in House, would have required telephone companies and persons furnishing telephone service to the public to furnish reasonably adequate service at all times and to make available such service to all persons in the area being served.

Rural Telephone Cooperative Act - H. B. 322, died in House, would have provided for the organization and operation of rural telephone cooperative corporations. This bill is the same as H. B. 444 and S. B. 397, both of which failed to pass at the 1952 session of the Legislature.

(House Bills 551, 553, 563, 564, 1051, 560, 613 and Senate Bill 1713 are reported to have been introduced by legislators friendly to the Mississippi rural electric power associations and interested in the improvement of rural telephone service.)

B. DefensiveElectrificationFailed:

Sales Tax - H. B. 223, died in House, would have amended Section 10109, Mississippi Code of 1942, so as to tax municipal power plants, rural electrification associations, and cooperative power associations, on the same basis as other utility sales. The bill would have imposed a 2% tax on the gross income of these organizations.

Meter Inspection - H. B. 535, died in House, would have levied an annual fee of \$1.00 per meter against electric power and gas companies and placed the duty of collecting such fees upon the motor vehicle comptroller. The bill would have required that an annual inspection be made of three phase electric service meters and quadrennial inspection of single phase meters. It would have specifically subjected rural electrification companies to its provisions.

Cooperative Annual Meetings - H. B. 571, died in House, would have permitted any member or stockholder of a cooperative to sue for and collect \$500 punitive damages from the cooperative's officers or board of directors for failure to hold an annual meeting.

Power Tax - H. B. 994, died in House, would have levied a tax on the use of power, provided for the determination of rates and administration of its provisions. This bill was introduced in an effort to impose a tax on pipe line power in Mississippi after a Supreme Court decision had held that a previously imposed tax was unconstitutional. REA borrowers sponsored amendments to exempt rural electric power associations from its provisions.

C. CollateralElectrificationFailed:

Tax - Electric Lines - H. B. 625, died in House, would have amended Section 9601, Mississippi Code of 1942, imposing a privilege tax on each mile of "pole-line" of electric light and power companies, by reducing the minimum taxable voltage from 10 KV to 8 KV.

Meter Deposits - Interest - H. B. 1053, died in House, would have required all gas and electric power companies which obtain a deposit on meters to pay depositors interest at the rate of 3% per annum.

Electrification and TelephoneEnacted:

Registration of Engineers - H. B. 55, approved and effective March 10, 1954, provides for the regulation of the practice of engineering and establishes a State Board of Registration for Professional Engineers to administer the provisions of this act.

Failed:

Public Service Commission - Investigations - H. B. 417, died in House, would have authorized the Mississippi Public Service Commission to investigate and examine the records and operations of any public utility regulated by it for the purpose of fixing and regulating the rates charged or services to be rendered and would have required the utility to pay the cost of such investigation or examination. (S. B. 1388, same as H. B. 417, died in Senate. S. B. 1412, similar to S. B. 1388, died in Senate.)

Public Service Commission - Employment of Experts - S. B. 1413, died in House, would have amended Section 7690, Mississippi Code of 1942, so as to authorize the Public Service Commission to employ an additional rate expert and a utility engineer. The bill would have required that one of the two rate experts be familiar with the practices and operations of the telephone industry.

Public Service Commission - Records - S. B. 1411, died in Senate, would have provided that the Public Service Commission shall have access at all reasonable times to the property, records, and documents of public utilities under its supervision.

Corporate Franchise Tax - H. B. 651, died in House, would have amended the corporate franchise tax statute in several respects and made it applicable to nonprofit corporations by eliminating language confining its applicability to organizations "for pecuniary gain."

Qualification of Foreign Nonprofit Corporations - H. B. 257, died in Senate, would have amended Sections 5339 and 5343, Mississippi Code of 1942, to provide for the qualification of foreign nonprofit corporations to do business in Mississippi.

Telephone

Failed:

Telephone - Charges - H. B. 40, died in House, would have made it unlawful for any person, firm or corporation, not qualified as a public service corporation to change fees or tolls for telephone communications.

Telephone Rates - H. B. 809, died in House, would have amended Sections 7706 and 7707, Mississippi Code of 1942, by transferring telephone rate regulation functions from the Public Service Commission to a telephone regulatory board to be appointed by the Governor. (S. B. 1634, same as H. B. 809, died in Senate.)

S. C. R. 10, died in Senate, would have created a joint legislative committee to investigate the status and background of telephone rates and laws governing the Public Service Commission. (H. C. R. 41, same as S. C. R. 10, died in House.)

S. C. R. 20, died in Senate, would have provided for a combined interim study to be made of telephone rates by the Public Service Commission and the General Legislative Investigating Committee.

H. B. 1129, died in House, would have authorized the appropriation of \$150,000 for the investigation of telephone rate by a recess committee.

H. B. 1156, died in House, would have appropriated \$150,000 for the committee to be created by H. B. 1129.

Telephone Calls - Tax - S. B. 1701, died in Senate, would have levied a 10% tax on all long distance telephone calls originating in the state. The tax was to be imposed on the condition that the Federal tax be reduced from 25% to 10% or less.

H. C. R. 49, died in Senate, would have requested the Public Service Commission to take necessary steps to insure that the reduction in Federal excise taxes on local and long distance telephone calls be passed on to telephone users.



1954 Michigan Legislation - Final Report
Session: January 13 to May 14, 1954

Governor's Message

The following excerpts are from the message of January 25, 1954 of Governor G. Mennen Williams to the Michigan legislature:

"Public Utilities: We have done an excellent job of building the State's service to public utility ratepayers. The so-called 'interim order' which granted rate increases first and heard the case afterwards is a thing of the past. The burden of proof in seeking any rate increase has been placed where it belongs, upon the petitioning utility.

"But in recent months I have received many complaints from rural areas about the inadequacy of telephone service. The Public Service Commission has attempted to provide an incentive for better service by denying increases until service is improved, or by granting increases contingent upon the performance of service improvements. These efforts have been thwarted by judicial decisions.

"It is recommended that the Telephone Act be amended to provide specifically that the Commission shall have the power and duty to consider quality of service in fixing rates.

"Telephone Authorities: In the case of some of the independent companies, great difficulty has been encountered in financing the rehabilitation and improvement of equipment. I recommend legislation providing for the creation of telephone authorities by the subscribers of any exchange found to be receiving inadequate service. Such authorities should be empowered to acquire property by purchase or condemnation, to operate such property, to furnish telephone service, and to issue securities to private or public investment sources for the purpose of acquiring, operating, maintaining, and improving telephone facilities.

"Further I recommend that the insurance and banking laws be amended to encourage investment by financial institutions in independent telephone companies or telephone authorities, such investment to be supervised by the Insurance or Banking Department and the Public Service Commission....."

A. Affirmative

Legislation Sponsored

Electrification and Telephone

Enacted:

Business Receipts Tax - S. B. 1010, approved March 12, 1954, Public Act 17, amends the 1953 business receipts tax act in several respects,

including expansion of the definition of "public utilities" in Section 1(m) to cover "rural electrification associations to the extent of their receipts from the sale of electric energy and power." Under Section 2(a), a specific tax is levied on the income of public utilities consisting of one mill on their adjusted receipts derived from or attributable to Michigan sources. Section 4(c) exempting adjusted receipts of nonprofit corporations organized and operating under Section 117 to 132 of Act No. 372, P. A. 1931 (1948 Comp. Laws, section 450.117 to 450.132) is amended to confine the exemptions to corporations "where no part of the adjusted receipts..... either directly or indirectly inures to the benefit of any private shareholder or individual." The net effect of these amendments is to make electric cooperatives subject to the tax at the 1 mill rate, as public utilities within the meaning of the act. The above amendment is reported to have been sought by the Michigan electric cooperatives, after question was raised as to their being exempt, to clarify the applicability to them of the 1-mill rate, rather than 4-mill rate applicable to taxpayers other than public utilities.

D. Defensive

Electrification

Enacted:

Revenue Bond Act - S. B. 1102, approved April 23, 1954, Public Act 136, amends the Revenue Bond Act of 1953 by including in the definition of "public improvements" which may be acquired under the act, "existing utility systems for supplying light, heat and/or power (including all plants, works, instrumentalities and properties used or useful in connection therewith)" and by adding subsection (e) to Section 4 providing "no public corporation may acquire a utility for the supplying of light, heat and/or power unless such proposition shall have first received the affirmative vote of 3/5 of the electors of such public corporation voting thereon at a regular or special municipal election."

Failed:

Electrical Administrative Board - S. B. 1130, died in Senate, would have provided for the creation of an electrical administrative board with authority to establish minimum standards for electrical equipment and its installation; statewide inspections of electrical installations and the appointment of electrical inspectors; the licensing of electrical contracting firms and electrical journeymen; the wiring of single family homes and out buildings by the owner upon his securing a permit; the prohibition of the installation of electrical equipment without first securing a permit and making it unlawful to supply current to an illegal installation of electrical equipment.

C. Collateral

Electrification and Telephone

Enacted:

Chattel Mortgages - H. B. 349, approved April 16, 1954, Public Act 114, amends section 566.201, Compiled Laws of 1948 relating to the discharge of chattel mortgages by providing for the use of a discharge form, and the procedure to be followed by the register of deeds in noting such discharges.

Telephone

Failed:

Telephone Companies - Service - H. B. 373, defeated in House 42 to 48, on March 9, 1954, would have amended Section 3, Act 206, Public Acts of 1913 (Sec. 484.103, Compiled Laws of 1948) relating to the furnishing of service by telephone companies, by providing that the Michigan Public Service Commission "may refuse to authorize an increase in the charges for telephone service in any exchange or exchanges of any telephone company where the service being furnished does not comply with applicable rules or orders prescribing standards for such service or the company is not making a reasonable effort to comply with such rule or orders."

Telephone Improvement Corporations - H. B. 372, died in House Committee on Public Utilities, would have provided for incorporation of telephone improvement corporations to acquire, improve and modernize telephone properties in areas found by the Public Service Commission to be receiving inadequate service, and given such corporations the power of condemnation.

Emergency Telephone Calls - S. B. 1024, died in House would have amended Sec. 750.540a Michigan Compiled Laws of 1948 to provide that names of telephone subscribers refusing to surrender party line telephone during emergencies be furnished to state police.

Ohio - 1

1954 Ohio Legislation - Final Report
Special Session: January 11 to 15, 1954

Governor Frank J. Lausche called the Ohio legislature into special session to consider legislation relating to the issuance of bonds for construction of the Ohio Turnpike. Special sessions of the legislature are limited to consideration of subjects listed in the Governor's call plus any additional subjects which he might submit.

No legislation of interest to REA borrowers was noted.

1954 Colorado Legislation - Final Report
Sessions: January 6 to February 13, 1954
First Special: March 17 to 23, 1954

Regular Session

The constitutional amendment authorizing annual sessions prohibits enactment of bills other than appropriation and revenue raising measures, except subjects designated in writing by the Governor during the first 10 days of the session.⁷

A. Affirmative

No affirmative program of legislation was undertaken by REA borrowers inasmuch as the scope of the session is limited by constitutional amendment and it would require a message from the Governor to place other than appropriation or revenue-raising measures before the legislature.

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs was noted.

C. Collateral

Electrification and Telephone

Failed:

Public Utilities Commission - Fees - H. B. 58, died in House, related to the financing of the administration of public utilities laws by the Colorado Public Utilities Commission through the payment of fees by public utilities subject to its jurisdiction.

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First Special Session (March 17-23, 1954)

Governor Dan Thornton called the Colorado legislature into special session to consider legislation relating to emergency drought measures, extension of income tax reduction and repeal of the State personal property tax. Special sessions of the legislature are limited to consideration of subjects listed in the Governor's call.

No legislation of interest to REA borrowers was noted.

Neb. - 1

1954 Nebraska Legislation - Final Report
Special Session: April 20 to May 7, 1954

Governor Robert B. Crosby called the Nebraska legislature into special session to consider legislation amending the revenue and taxation provisions of the State Constitution. Special sessions of the legislature are limited to consideration of subjects listed in the Governor's call.

No legislation of interest to REA borrowers was noted.

1954 Louisiana Legislation - Interim Report, June 25, 1954
Session: Convened May 10, 1954 - Still in Session*

(*A supplemental report giving the final status of all legislation of interest to the REA programs will be prepared after the legislature adjourns which should occur about the third week of July, 1954.)

A. Affirmative

No legislative program planned by REA borrowers.

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs has been noted.

C. Collateral

Electrification

Pending:

Power Use Tax - H. B. 91 and 94, would repeal Sections 47:1151 through 47:1160, Louisiana Revised Statutes, 1950, relative to the power use tax.

Sabine River Compact - H. B. 391, passed House, June 2, 1954, ratifies, approves and confirms the Sabine River Compact and provides for the compensation and expenses of members of the Sabine River Compact Administration. The bill provides that the Compact shall not become effective until it has been approved and confirmed by the Congress of the United States.

Electrification and Telephone

Pending:

Public Utilities - Rebates - H. B. 983 would require public utilities to rebate to customers services paid for, but not performed, and to provide penalties for failure to comply therewith.

Public Service Commission - H. B. 712 would amend Section 1180, Title 45, Louisiana Revised Statutes, 1950, concerning expenses of investigations by the Louisiana Public Service Commission of the affairs of individuals operating public utilities businesses to permit the commission to decide whether the person examined has to pay the expenses or not.

Public Utility Bonds - H. B. 420 would amend sub-section B of Section 602, Title 12, Louisiana Revised Statutes of 1950, relative to the issuance of bonds by certain public utility corporations secured by mortgage on their property and the manner of executing same.

Electronic Technicians - Licensing - S. B. 222 provides for the regulation of the practice of maintenance, service and installation of radio, television and other electronic devices and creates a board of registration with the power to license qualified persons as professional electronic technicians.

Telephone

Pending:

Telephone Calls - H. B. 948 would prohibit the making of any local telephone calls, conversations, or conferences of any anonymous nature in which obscene, profane, vulgar or indecent language, suggestions or proposals are made.

H. B. 1193 would make it a misdemeanor to create a nuisance by the use of the telephone. The bill would define the responsibility of the telephone company upon complaint being made to it.

Mo. - 1

1954 Missouri Legislation - Final Report
Special Session: February 23 to April 23, 1954

Governor Phil M. Donnelly called the Missouri legislature into special session to consider supplemental appropriations, highway and emergency drought legislation. Special sessions of the legislature are limited to consideration of subjects listed in the Governor's call plus any additional subjects which he might submit.

No legislation of interest to REA borrowers was noted.

1954 California Legislation - Final Report
Sessions: (Budget) March 2 to March 30, 1954
(First Special) March 2 to April 1, 1954

[The regular session of the California legislature convening in even numbered years is limited in subject consideration to budget and revenue acts, urgent measures, acts calling elections, constitutional amendments, and city and county charters. Governor Goodwin S. Knight's call for the first special session listed measures relating to unemployment insurance, school districts, alcoholic beverage control and public works, etc.]

A. Affirmative

No legislative program was undertaken by REA borrowers.

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs was noted.

1954 Nevada Legislation - Final Report
Special Session: January 5 to 9, 1954

Governor Charles Russell called the Nevada legislature into special session to consider legislation relating to motor vehicle licensing and school finances. Special sessions of the legislature are limited to consideration of subjects listed in the Governor's call plus any additional subjects which he might submit.

No legislation of interest to REA borrowers was noted.

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1954 Arizona Legislation - Final Report
Session: January 11 to April 10, 1954

A. Affirmative

No legislative program was undertaken by REA borrowers.

B. Defensive

No legislation which would adversely affect the rural electrification or rural telephone programs was noted.

C. Collateral

Electrification

Enacted:

Electrical Districts - H. B. 190, approved March 5, 1954, Chapter 9, amends Section 75-621, Arizona Code of 1939, to remove requirement that directors and electors of electrical districts must be resident freeholders of the district and election precincts. (S. B. 82, same as H. B. 190, died in Senate Committee.)

Municipal Utilities - Extension of Service - S. B. 107, approved April 3, 1954, Chapter 105, adds Sections 16-604b and 16-604c to Arizona Code of 1939, to prohibit competing service by a municipality either within or without the corporate limits unless the facilities of the existing service are acquired and gives the municipality the right to acquire such facilities under eminent domain. (H. B. 305, same as S. B. 107, as introduced, died in House Committee.)

It is reported that this legislation was sponsored in order to clarify the situation which developed as a result of a decision by the Arizona Supreme Court holding that the City of Tucson had a lawful right to parallel a private water utility line in a newly annexed area. The legislation as drafted however includes other utility services which may be furnished by a municipality.

Underground Water Controls - S. B. 135, law without approval April 22, 1954, Chapter 160, provides for the transfer of the duties of the groundwater commission to the state land department and continues as critical ground-water areas all areas which had been so designated under the provisions of the Groundwater Code of 1948.

The Underground Water Commission created by the Arizona legislature in 1952 (Chap. 49, Laws of 1952) had drafted and submitted a complete ground water code. It was introduced as S. B. 90, entitled the Water Resources Act of 1954. This bill passed the Senate on March 19, 1954 but died in House Committee. S. B. 135 was passed as a last minute substitute. In his January 11, 1954 message to the Legislature, Gov. Pyle had urged careful consideration of the code prepared by the Underground Water Commission. In permitting S. B. 135 to become law without signature, the Governor transmitted to the Secretary of State

an accompanying message characterizing the bill as "a sorry, weak and confused ending to a two-year struggle for an adequate underground water code".

H. B. 367, approved March 31, 1954, Chapter 86, continued the life of the Underground Water Commission from March 31, 1954 to April 30, 1954. This act was passed in order to continue the existence of the Underground Water Commission pending final disposition by the legislature of S. B. 90, Water Resources Act of 1954.

Failed:

Municipal Utilities - Conditions of Service - H. B. 357, died in House Committee, related to the subject of municipal utility services and would have prohibited a municipality from imposing upon its consumers or customers any obligation or responsibility that other public utility companies cannot impose.

Taxation - Power Districts - H. C. R. 18, died in House Committee, would have proposed an amendment to Section 2, Article 9 of the Constitution of Arizona to provide that property of power districts shall not be exempt from taxation.

Colorado River Compact - H. C. R. 30, died in House Committee, would have placed the Arizona legislature on record opposing the Santa Fe Colorado River Compact as being detrimental to the State of Arizona. The resolution contains a lengthy review of the history of the development of the compact and the court cases involving Arizona's rights to the use of Colorado River water for irrigation, hydroelectric power, etc.

H. B. 266, died in House Committee, would have repealed the Colorado River contract between the United States Department of Interior and the Arizona Colorado River Commission for the storage and delivery of water from Lake Mead.

Telephone

Failed:

Emergency Telephone Calls - H. B. 233, died in House Committee, would have made it a misdemeanor for any person using a party line telephone to refuse to surrender the use of the line upon request of another person to permit the placing of an emergency call.

Texas - 1

1954 Texas Legislation - Final Report
Special Session: March 15 to April 13, 1954

Governor Allan Shivers called the Texas legislature into special session to consider legislation providing for the financing of teachers salaries, construction of buildings at State institutions, and other subjects not related to the REA program. Special sessions of the legislature are limited to consideration of subjects listed in the Governor's call plus any additional subjects which he may submit.

No legislation of interest to REA borrowers was noted.

